

**Project Plan
for the Creation of
Tax Incremental District No. 3
in the
VILLAGE OF SHOREWOOD, WISCONSIN**



DATE: 6/11/08 DRAFT

Organizational Joint Review Board Meeting Held:

Public Hearing Held:

Adopted by Community Development Authority:

Anticipated to be Considered for Adoption by Village Board:

Anticipated to be Considered for Approval by Joint Review Board:



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Tax Incremental District No. 3 Creation Project Plan

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EXECUTIVE SUMMARY

DESCRIPTION OF DISTRICT

- Type of District, Size and Location. TID No. 3 is proposed to be created as a rehabilitation or conservation district. A map of the proposed District boundaries are located in Section 3 of this plan.
- Estimated Total Project Expenditures. The Village anticipates making total project expenditures of approximately \$15,000,000 to undertake the projects listed in this Project Plan. The Village anticipates completing the projects in 5 phases. The Expenditure Period of this District is 22 years from the date of adoption of the Creation Resolution by the Village Board. The projects to be undertaken pursuant to this Project Plan are expected to be financed with General Obligation Bonds issued by the Village, however, the Village may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the Village, or provide other advantages as determined by the Village Board. A discussion and listing of other possible financing mechanisms, as well as a summary of project financing by phase is located in Section 10 of this plan.
- Economic Development. As a result of the creation of this District, the Village projects that additional land and improvements value of approximately \$100,000,000 will be created in the final year of new construction as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and redevelopment, and associated values is located in Section 10 of this plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.
- Expected Termination of District. Based on the Economic Feasibility Study located in Section 10 of this plan, this District would be expected to generate sufficient tax increments to recover all project costs by the year 2027; 10 years earlier than the 27 year maximum life of this District.

SUMMARY OF FINDINGS

As required by s.66.1105 Wis. Stats., and as documented in this Project Plan and the exhibits contained and referenced herein, the following findings are made:

1. That “but for” the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the Village. In making this determination, the Village has considered the following information:

- The Village's review of the developer's project identified as Project No.1 has concluded that a public investment of approximately \$1,400,000 is required to enable the development to occur in the manner desired by the Village, while providing the developer a fair and reasonable return on their investment. In phases 2 thru 5 a similar review would be conducted prior to entering in to development agreements, however it is estimated that an additional public investment of approximately \$12.4 M would be required in these areas.
 - The sites proposed for development and/or redevelopment have remained underutilized and the conditions of property have not been maintained to the Village's expected standards due to market conditions, obsolete or in appropriate uses, lack of adequate infrastructure, possible environmental remediation, obsolete platting and ownership by multiple parties. Given that the sites have not been developed or redeveloped as would have been expected under more vibrant market conditions, it is the judgment of the Village that the use of TIF will be required to provide the necessary infrastructure and inducements to encourage development on the sites consistent with that desired by the Village.
 - In order to make the areas included within the District suitable for development and/or redevelopment, the Village will need to make a substantial investment to pay for the costs of: property, right-of-way and easement acquisition, site preparation, installation of utilities; installation of streets and related streetscape items; development incentive payments, façade, grants and loans, and other associated costs. Due to the extensive initial investment in public infrastructure that is required in order to allow it to occur, the Village has determined that development and/or redevelopment of the area will not occur solely as a result of private investment. Accordingly, the Village finds that absent the use of TIF, development and/or redevelopment of the area is unlikely to occur.
 - The Village greatly benefits from its geographic location however: due to current market conditions, the Village has seen less growth and new investment in this portion of the community than it would prefer. Absent the use of Tax Increment Financing (TIF), this trend is likely to continue. Use of TIF will provide the Village with the means to stimulate new development.
2. **The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the Village has considered the following information:
- As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
 - The development expected to occur is likely to generate between 30 to 50 jobs over the life of the District, with an average wage of between \$25,000 and \$125,000 (*source: Shorewood Planning Staff*).
 - The development expected to occur within the District would create approximately 200 - 250 residential units, providing senior and assisted as well as market housing for area residents

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

- A portion of the area proposed for inclusion in this district is already included in TID No. 1. If approved, the District creation would become effective for valuation purposes as of January 1, 2008. As of this date, the values of all existing development would be frozen and the property taxes collected on the existing “increment “value in TID No. 1 would continue to be distributed to the TID No. 1 fund. The taxes from the original TID No. 1 base value would be continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the new TID No. 3 District due to new construction, renovation or appreciation of property values occurring after January 1, 2008 would be collected by the Tax Increment District No. 3 and used to repay the costs of TIF-eligible projects undertaken within the TID No. 3 District.

TID No. 3 is being created as an “overlay district” to TID No. 1 because the costs that are projected to be needed for the TID No. 3 area may not be able to be fully amortized within the remaining life of the existing TID No. 1 district. In addition, an extended time frame will allow for more phasing, thereby mitigating the risk to the Village of fluctuation in market conditions.

- Since the development expected to occur is unlikely to take place without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the Village reasonably concludes that the overall benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not created. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can found in Appendix A of this plan.
4. Not less than 50% by area of the real property within the District is in need of rehabilitation or conservation work within the meaning of Section 66.1337(2m)(b) of the Wisconsin Statutes. Furthermore, any property standing vacant for seven years immediately preceding adoption of the Creation Resolution for this District will not comprise more than 25% of the area in the District in compliance with Section 66.1105(4)(gm)1 of the Wisconsin State Statutes.
 5. Based upon the findings, as stated above, the District is declared to be a rehabilitation or conservation district based on the identification and classification of the property included within the district.
 6. The project costs relate directly to promoting the elimination of rehabilitation of the area consistent with the purpose for which the District is created.
 7. The improvements to be made within the District are likely to enhance significantly the value of substantially all of the other real property in the District.

8. The equalized value of taxable property of the District plus the value increment of all existing tax incremental districts within the Village does not exceed 12% of the total equalized value of taxable property within the Village.
9. The Village estimates that approximately 10-15% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Sections 66.1105(5)(b) and 66.1105(6)(am)1 of the Wisconsin Statutes.
10. The Project Plan for the District in the Village is feasible, and is in conformity with the master plan of the Village.

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TYPE & GENERAL DESCRIPTION OF DISTRICT

Tax Incremental District No. 3 (the “District”) is being created by the Village of Shorewood under the authority provided by Wisconsin Statute Section 66.1105. The District is created as a “Rehabilitation or Conservation District” based upon a finding that at least 50%, by area, of the real property within the District is in need of rehabilitation or conservation work, as defined in Section 66.1337(2m)(a) (See Section 5 of this plan for a breakdown of District parcels by class and calculation of compliance with the 50% test). The Village has previously taken action under this provision of the Wisconsin Statutes which has determined that at least 50%, by area, of the properties within the District as in need of rehabilitation or conservation, and relies on this previous action as the basis for making the above finding.

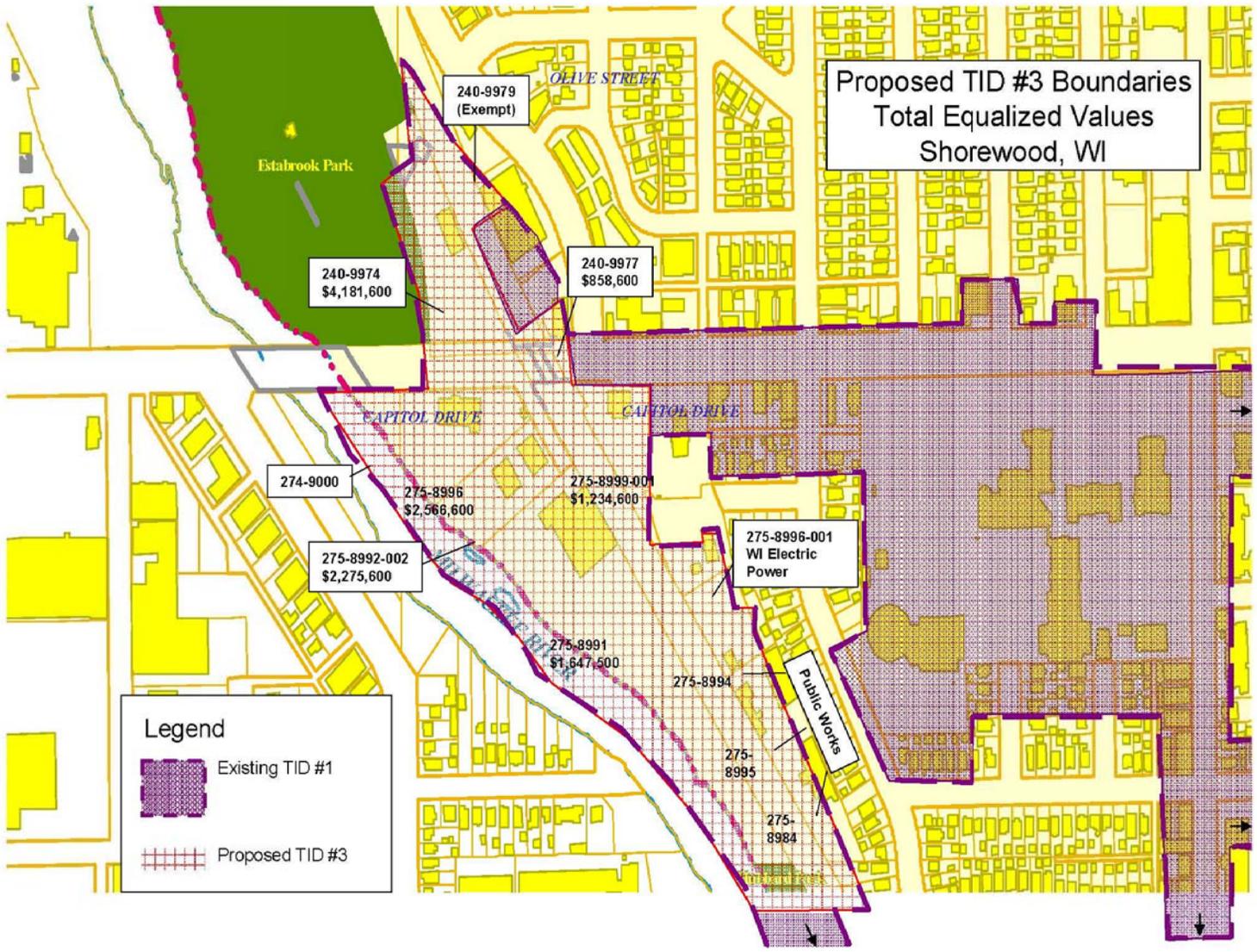
Property standing vacant for seven years immediately preceding adoption of the Creation Resolution for this District will not comprise more than 25% of the area in the District in compliance with Section 66.1105(4)(gm)1. of the Wisconsin State Statutes. A calculation demonstrating compliance with this test is found as part of the Preliminary Parcel List in Section 5 of this plan.

A map depicting the boundaries of the District is found in Section 3 of this Plan. A map depicting the proposed uses of the District is found in Section 8 of this plan. The Village of Shorewood intends that tax increment financing (TIF) will be used to assure that private development occurs within the District consistent with the Village’s development and redevelopment objectives. This will be accomplished by installing public improvements, and making necessary related expenditures, to promote development and redevelopment within the District. The goal is to increase the tax base and to provide for and preserve employment opportunities within the Village. The project costs included in this Plan relate directly to the rehabilitation or conservation of areas in the District consistent with the purpose for which the District is created.

Based upon the findings, as stated within this Plan the District is declared to be a rehabilitation or conservation district based on the identification and classification of the property included within the district.

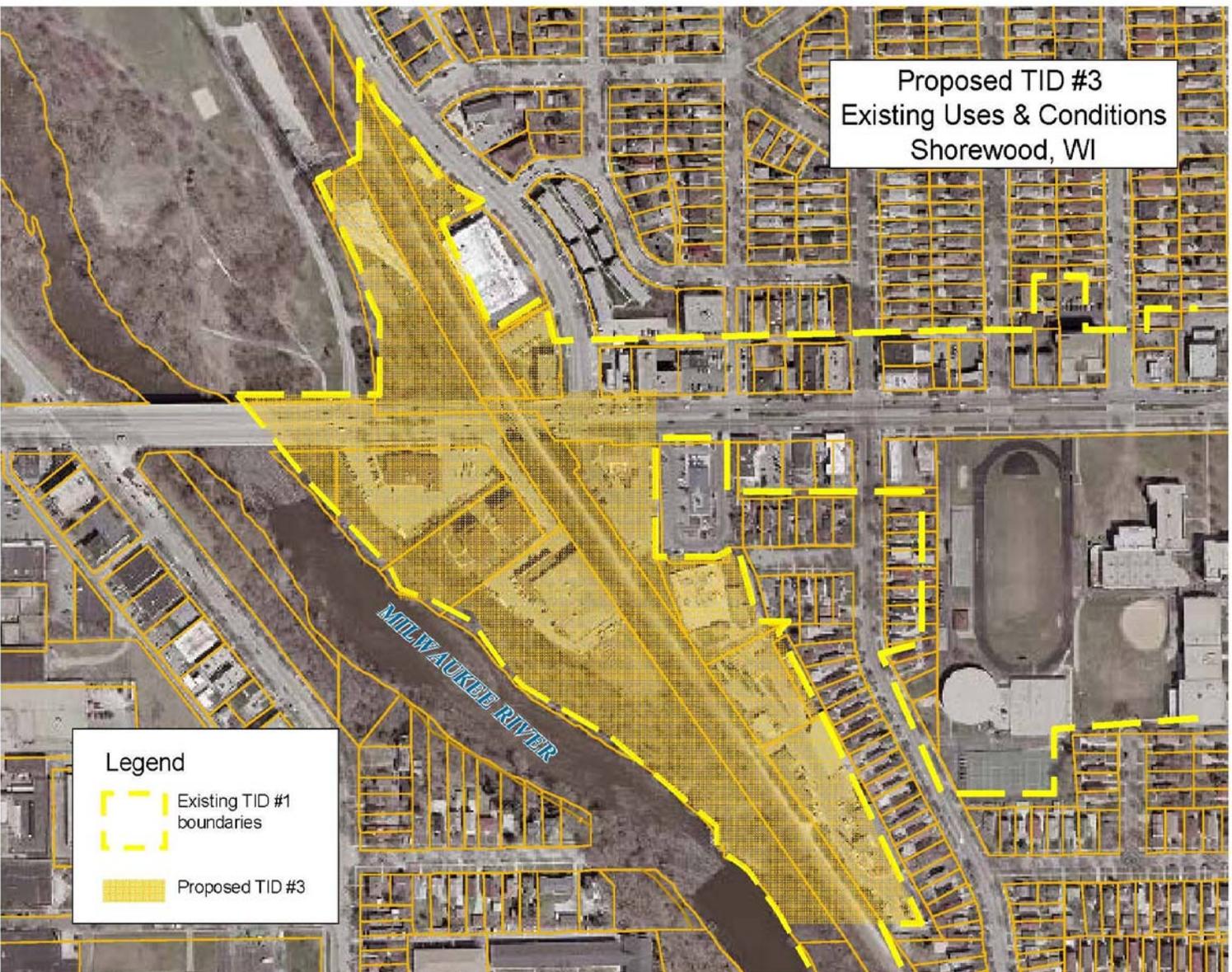
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MAP OF PROPOSED DISTRICT BOUNDARY



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MAP SHOWING EXISTING USES AND CONDITIONS



Village of Shorewood
Tax Increment District No. 3 (Partial Overlay of TID #1)
Preliminary Parcel List

2nd
Draft



TAX KEY PARCEL NO.	STREET ADDRESS	OWNER	ASSESSED VALUE - PERS PROP	ASSESSED VALUE - LAND	ASSESSED VALUE - IMP	TOTAL ASSESSED VALUE (LAND & IMP)	ASSESSMENT CLASSIFICATION	LAND RATIO (BY CLASS)	IMPROVEMENTS RATIO (BY CLASS)	EQUALIZED VALUE	PARCEL ACREAGE	CURRENT ZONING	ACTUAL USE	ACRES DECLARED IN NEED OF REHAB OR CONSERVATION	ACRES VACANT FOR PRECEDING 7 YEARS	MISC//NOTES
ORIGINAL DISTRICT AREA DATA										0.99770684						
1	2749000000	strip of land				0	7 - Other	99.77%	99.77%		0	B-4	vacant		0.336	
2	2758993000	1111 E. Capitol Dr	122,250	1,019,400	1,547,200	2,566,600	2 - Commercial	99.77%	99.77%	2,572,517	1.966	PDD	restaurant	1.966		
3	2758992002	3907-09 N. Sherburn Pl	3,340	2,275,600		2,275,600	2 - Commercial	99.77%	99.77%	2,280,846	1.484	PDD	multifamily	1.484		
4	2758991000	3900 N. Sherburn Pl	30,330	767,800	879,700	1,647,500	2 - Commercial	99.77%	99.77%	1,651,298	5.318	B-4	warehouse	5.318		
5	2758999001	1305 E. Capitol Dr	92,590	778,500	456,100	1,234,600	2 - Commercial	99.77%	99.77%	1,237,446	1.219	B-3	restaurant	1.219		
6	2758996001	1401 E. Pinedale Ct				0	7 - Other	99.77%	99.77%	0	1.154	P-1	utility			
7	2758994000	3801 N. Morris Blvd				0	7 - Other	99.77%	99.77%	0	0.199	P-1	Public Works yard	0.199		
8	2758995000	3801 N. Morris Blvd				0	7 - Other	99.77%	99.77%	0	0.975	P-1	Public Works yard	0.975		
9	2758984000	3801 N. Morris Blvd				0	7 - Other	99.77%	99.77%	0	0.199	P-1	Public Works yard	0.199		
10	2409974	1100 E. Capitol Dr	140,520	1,387,700	2,793,900	4,181,600	2 - Commercial	99.77%	99.77%	4,191,240	0.037					
11	240-9976	1200 E Capitol Dr	0								0.003				0.003	
12	2409977	1200 E. Capitol Dr.	1,400	366,800	491,800	858,600	2 - Commercial	99.77%	99.77%	860,579	0.015					
13	2409979	4122 N. Wilson	1,500			0	7 - Other	99.77%	99.77%	0	0.030					
SUBTOTAL PERSONAL PROPERTY >			391,930						100.00%	391,930	NA	NA	Personal Property	NA	NA	
										13,185,856	12.935			11.360	0.339	



ESTIMATED BASE VALUE Remains in TID 1 - Appreciation to TID	13,185,856	TOTAL DISTRICT ACREAGE	12.935	TOTAL CONS./REHAB. ACREAGE	11.360	TOTAL VACANT FOR PRECEDING 7 YEARS	0.339
As of January 1 2007		Percent of Total District Acreage		87.824%		2.621%	

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EQUALIZED VALUE TEST

The following calculations demonstrate that the Village is in compliance with s.66.1105(4)(gm)4.c. Wis. Stats., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing Tax Incremental Districts, does not exceed 12% of the total equalized value of taxable property within the Village.

The equalized value of the increment of existing Tax Incremental Districts within the Village, plus the base value of the proposed District, totals \$53,010,600. This value is less than the maximum of \$179,655,108 in equalized value that is permitted for the Village of Shorewood. The Village is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

<i>Village of Shorewood</i>		Tax Increment District No. 3 (Partial Overlay of TID #1)		
Valuation Test Compliance Calculation		Valuation Data Establishing 12% Limit Based on Anticipated Creation Date	Estimated Valuation Data Establishing Base Value	
Anticipated Creation Date:	6/7/2008			
Property Appreciation Factor:	2.50%			
		ACTUAL	ESTIMATED	
As of January 1,		2007	2008	
Total Equalized Value (TID IN)		1,497,125,900		
Limit for 12% Test		179,655,108		
Increment Value of Existing TID's				
TID No. 1 Increment		53,010,600		
Total Existing Increment		53,010,600		
¹ Projected Base Value of New District		0	0	
TOTAL VALUE SUBJECT TO TEST/LIMIT		53,010,600	53,010,600	
COMPLIANCE		PASS	PASS	
				Percentage Increase in Base Value at Which EV Test will Fail
				NA (See Note 1)

¹ Because all parcels in this district overlay parcels in existing TID 1. Base Value is 0 for TID 3.



2nd Draft

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STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS

The following is a list of public works and other projects that the Village expects to implement in conjunction with this District. Any costs necessary or convenient to the creation of the district or directly or indirectly related to the public works and other projects are considered "project costs" and eligible to be paid with tax increment revenues of the District.

PROPERTY, RIGHT-OF-WAY AND EASEMENT ACQUISITION

- **PROPERTY ACQUISITION FOR DEVELOPMENT AND/OR REDEVELOPMENT.** In order to promote and facilitate development and/or redevelopment the Village may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the Village from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the Village to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in State Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.
- **PROPERTY ACQUISITION FOR CONSERVANCY.** In order to promote the objectives of this Plan, the Village intends to acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife, maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.
- **ACQUISITION OF RIGHTS-OF-WAY.** The Village may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire rights-of-way are eligible Project Costs.
- **ACQUISITION OF EASEMENTS.** The Village may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the Village to identify, negotiate and acquire easement rights are eligible Project Costs.
- **RELOCATION COSTS.** If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: acquisition of alternate suitable property, rental payments, moving expenses preparation of a relocation plan; allocations of staff time; legal fees; publication of

notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

SITE PREPARATION ACTIVITIES

- **ENVIRONMENTAL AUDITS AND REMEDIATION.** There have been no known environmental studies performed within the proposed District. If, however, it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the Village related to environmental audits, testing, and remediation are eligible Project Costs.
- **DEMOLITION.** In order to make sites suitable for development and/or redevelopment, the Village may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.
- **SITE GRADING.** Land within the District may require grading to make it suitable for development and/or redevelopment, to provide access, and to control stormwater runoff. The Village may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the Village for site grading are eligible Project Costs.

UTILITIES

- **SANITARY SEWER SYSTEM IMPROVEMENTS.** There are inadequate sanitary sewer facilities serving portions of the District. To allow development and/or redevelopment to occur, the Village may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations;; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.
- **WATER SYSTEM IMPROVEMENTS.** There are inadequate water distribution facilities serving portions of the District. To allow development and/or redevelopment to occur, the Village may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that

the Village construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

- **STORMWATER MANAGEMENT SYSTEM IMPROVEMENTS.** Development and/or redevelopment within the District will cause stormwater runoff and pollution. To manage this stormwater runoff, the Village may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; curb and gutter, catch basin structures, culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the Village will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the Village construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.
- **ELECTRIC SERVICE.** In order to create sites suitable for development and/or redevelopment, the Village may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the Village to undertake this work are eligible Project Costs.
- **GAS SERVICE.** In order to create sites suitable for development and/or redevelopment, the Village may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the Village to undertake this work are eligible Project Costs.
- **COMMUNICATIONS INFRASTRUCTURE.** In order to create sites suitable for development and/or redevelopment, the Village may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the Village to undertake this work are eligible Project Costs.

STREETS AND STREETSCAPE

- **STREET IMPROVEMENTS.** There are inadequate street improvements serving the District. To allow development and/or redevelopment to occur, the Village may need to construct and/or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

- **STREETSCAPING AND LANDSCAPING.** In order to attract development and/or redevelopment consistent with the objectives of this Plan, the Village may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the Village are eligible Project Costs.

CDA TYPE ACTIVITIES

- **CONTRIBUTION TO COMMUNITY DEVELOPMENT AUTHORITY.** As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the Village may provide funds to its CDA to be used for administration, planning and operations related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.
- **REVOLVING LOAN/GRANT PROGRAM.** To encourage private redevelopment consistent with the objectives of this Plan, the Village, through its CDA, will provide loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the CDA in the program manual. Any funds returned to the CDA from the repayment of loans made are not considered revenues to the District, and will not be used to offset District Project Costs. Instead, these funds will be placed into a revolving loan fund and will continue to be used for the program purposes stated above. Any funds provided to the CDA for purposes of implementing this program are considered eligible Project Costs.

MISCELLANEOUS

- **CASH GRANTS (DEVELOPMENT INCENTIVES).** The Village may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover project costs. No cash grants will be provided until the Village executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the Village are eligible Project Costs.
- **PROJECTS OUTSIDE THE TAX INCREMENT DISTRICT.** Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the Village may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the Village's corporate boundaries and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs, and may include any project cost that would otherwise be eligible if undertaken within the District. The Village intends to make the following project cost expenditures outside the District: Roadway Improvements, Signalization, Signage, Lighting, Façade Improvements, Stormwater Improvements, Property Rehabilitation Incentives, Water & Sewer Improvements.

- **PROFESSIONAL SERVICE AND ORGANIZATIONAL COSTS.** The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; marketing & recruiting; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.
- **ADMINISTRATIVE COSTS.** The Village may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by Village employees in connection with the implementation of the Plan.
- **FINANCING COSTS.** Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for the public works, legal and other consultant fees, testing, environmental studies, permits, updating Village ordinances and plans, judgments or claims for damages and other expenses are included as project costs.

In the event any of the public works project expenditures are not reimbursable out of the special TIF fund under Wisconsin Statute Section 66.1105, in the written opinion of nationally recognized bond counsel retained by the Village for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan (the "Plan").

The Village reserves the right to implement only those projects that remain viable as the Plan period proceeds.

Project costs are any expenditures made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the Village and as outlined in this Plan. Project costs will be diminished by any income, special assessments or other revenues, including user fees or charges. To the extent the costs benefit the municipality outside the District, a proportionate share of the cost is not a project cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Proration of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments.

8

MAP SHOWING PROPOSED IMPROVEMENTS AND USES



9

DETAILED LIST OF PROJECT COSTS

All costs are based on 2008 prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2008 and the time of construction. The Village also reserves the right to increase certain project costs to the extent others are reduced or not implemented, without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

This Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The Village retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Village Board, without amending the Plan.

All costs are based on 2008 prices and are preliminary estimates. The Village reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2008 and the time of construction. However, for increases in excess of 25% of total project costs, the Village would pursue an amendment to the Plan in accordance with the amendment procedures specified in Section 66.1105(4)(h) of the Wisconsin Statutes, which include review by the Joint Review Board. The Village also reserves the right to increase certain project costs to the extent others are reduced or not implemented, without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.



Village of Shorewood

**Tax Increment District No. 3 (Partial Overlay of TID #1)
Project List**



2nd Draft

	Phase I 2009	Phase II 2012	Phase III 2013	Phase IV 2014	Phase V 2015
Projects					
Purchase of Touhy land remnent	800,000				
Bluff treatment	300,000	300,000			
Capitol Drive and traffic control	440,000				
Internal access road	100,000				
Options	20,000				
Support Services	75,000	50,000	25,000	25,000	
Infrastructure contingency	100,000				
Overall Contingency	65,000	65,000			
Project #2 direct subsidy	0	3,200,000			
Site Acquistion / Clearance & Relocation Costs			3,000,000	2,500,000	
Outside Boundary but within 1/2 Mi. Radius					
Wilson Dr Entrance, Blvd, St. Lights & Other Road Imps					1,000,000
Acquistion					2,500,000
Signage/Entrance monumentation					75,000
Façade Improvements					100,000
Open Space Preservation/Improvement					100,000
Subtotal Needed for Projects	1,900,000	3,615,000	3,025,000	2,525,000	3,775,000

10 ECONOMIC FEASIBILITY STUDY & A DESCRIPTION OF THE METHODS OF FINANCING AND THE TIME WHEN SUCH COSTS OR MONETARY OBLIGATIONS RELATED THERETO ARE TO BE INCURRED

The information and exhibits contained within this Section demonstrate that the proposed District is economically feasible insofar as:

- The Village has available to it the means to secure the necessary financing required to accomplish the projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The Village expects to complete the projects in one or more phases, and can adjust the timing of implementation as needed to coincide with the pace of private development. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to incur is included.
- The development anticipated to occur as a result of the implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development expected to occur, 2) a projection of tax increments to be collected resulting from that development and other economic growth within the District, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

AVAILABLE FINANCING METHODS

Implementation of this Plan will require that the Village issue obligations to provide direct or indirect financing for the Projects to be undertaken. The following is a list of the types of obligations the Village may choose to utilize.

General Obligation (G.O.) Bonds or Notes

The Village may issue G.O. Bonds or Notes to finance the cost of Projects included within this Plan. Wisconsin Statutes limit the principal amount of G.O. debt that a community may have outstanding at any point in time to an amount not greater than five-percent of its total equalized value (including increment values). The tables on page 23 provide a calculation of the Village’s current and projected G.O. debt capacity. Tables 1 and 2 project, respectively, the Village’s equalized value, and the full faith and credit borrowing capacity of the Village. Equalized valuation projections were made using two methods. The first projects future valuation of the Village using the average annual percentage of valuation growth experienced between 2003 and 2007. This method is identified as the percentage method. The second method projects the future valuation based upon the average annual increment between 2003 and 2007. This method is identified as the straight-line method. Table 2 projects the G.O. borrowing capacity of the Village utilizing the straight-line valuation projection and considering the existing debt of the

Village, demonstrating that the Village will have sufficient G.O. debt capacity during the implementation period of the District to finance projects using this method if it chooses.

Bonds Issued to Developers (“Pay as You Go” Financing)

The Village may issue a bond to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the Village’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds issued to developers in this fashion are not general obligations of the Village and therefore do not count against the Village’s borrowing capacity.

Tax Increment Revenue Bonds

The Village has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the Village, or as a Lease Revenue Bond by a Community Development Authority (CDA)). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the Village and therefore do not count against the Village’s borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the Village may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

Utility Revenue Bonds

The Village can issue revenue bonds to be repaid from revenues of the sewer and/or water systems, including revenues paid by the Village that represent service of the system to the Village. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the Village must demonstrate to bond underwriters its ability to repay revenue debt with the assigned rates. To the extent the Village utilizes utility revenues other than tax increments to repay a portion of the bonds, the Village must reduce the total eligible Project Costs in an equal amount.

Special Assessment “B” Bonds

The Village has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the Village determines that special assessments are appropriate, the Village can issue special assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the Village's G.O. debt limit. If special assessments are levied, the Village must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

EQUALIZED VALUATION PROJECTION



Village of Shorewood

Projection of General Obligation Debt Borrowing Capacity



2nd Draft

Table 1 - Projection of Growth in Equalized Value (TID OUT)

----PERCENTAGE METHOD----			--STRAIGHT LINE METHOD--		
HISTORICAL DATA					
2003	1,182,104,600		2003	1,182,104,600	
2004	1,269,237,700		2004	1,269,237,700	
2005	1,386,844,700		2005	1,386,844,700	
2006	1,458,604,600		2006	1,458,604,600	
2007	1,497,125,900	6.66%	2007	1,497,125,900	78,755,325
PROJECTED VALUATIONS					
2008	1,596,868,881	6.66%	2008	1,575,881,225	5.26%
2009	1,703,257,036	6.66%	2009	1,654,636,550	5.00%
2010	1,816,733,087	6.66%	2010	1,733,391,875	4.76%
2011	1,937,769,250	6.66%	2011	1,812,147,200	4.54%
2012	2,066,869,202	6.66%	2012	1,890,902,525	4.35%
2013	2,204,570,176	6.66%	2013	1,969,657,850	4.16%
2014	2,351,445,200	6.66%	2014	2,048,413,175	4.00%
2015	2,508,105,474	6.66%	2015	2,127,168,500	3.84%
2016	2,675,202,922	6.66%	2016	2,205,923,825	3.70%

Table 2 - Projection of G.O. Debt Capacity (Based on Straight Line Method)

BUDGET YEAR	EQUALIZED VALUE	GROSS DEBT LIMIT	DEBT BALANCE	NET BORROWING CAPACITY
2008	1,497,125,900	74,856,295	16,261,161	58,595,134
2009	1,575,881,225	78,794,061	14,535,256	64,258,805
2010	1,654,636,550	82,731,828	13,317,964	69,413,864
2011	1,733,391,875	86,669,594	11,996,887	74,672,707
2012	1,812,147,200	90,607,360	10,591,604	80,015,756
2013	1,890,902,525	94,545,126	9,161,934	85,383,192
2014	1,969,657,850	98,482,893	7,676,907	90,805,986
2015	2,048,413,175	102,420,659	6,546,281	95,874,378
2016	2,127,168,500	106,358,425	5,360,682	100,997,743
2017	2,205,923,825	110,296,191	4,159,248	106,136,943
2018	2,284,679,150	114,233,958	3,091,040	111,142,917
2019	2,363,434,475	118,171,724	1,975,688	116,196,036
2020	2,442,189,800	122,109,490	1,552,142	120,557,348
2021	2,520,945,125	126,047,256	1,116,473	124,930,783
2022	2,599,700,450	129,985,023	666,280	129,318,742
2023	2,678,455,775	133,922,789	516,135	133,406,654
2024	2,757,211,100	137,860,555	355,450	137,505,105
2025	2,835,966,425	141,798,321	183,657	141,614,665
2026	2,914,721,750	145,736,088	0	145,736,088
2027	2,993,477,075	149,673,854		149,673,854
2028	3,072,232,400	153,611,620		153,611,620
2029	3,150,987,725	157,549,386		157,549,386

PLAN IMPLEMENTATION

Projects identified will provide the necessary anticipated governmental services to the area. A reasonable and orderly sequence is outlined on the following page. However, public debt and expenditures should be made at the pace private development occurs to assure increment is sufficient to cover expenses.

It is anticipated developer agreements between the Village and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement, these agreements might include levying of special assessments against benefited properties.

The order in which public improvements are made should be adjusted in accordance with development and execution of developer agreements. The Village reserves the right to alter the implementation of this Plan to accomplish this objective.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities issued.

If financing as outlined in this Plan proves unworkable, the Village reserves the right to use alternate financing solutions for the projects as they are implemented.



Village of Shorewood

Tax Increment District No. 3 (Partial Overlay of TID #1)
Estimated Project Costs & Financing Plan



2nd Draft

	<u>G.O. Bond</u>	<u>Taxable G.O. Bond</u>	<u>G.O. Bond</u>	<u>Taxable G.O. Bond</u>	<u>Taxable G.O. Bond</u>	<u>Total Project Costs</u>
	<u>2009/Phase 1</u>	<u>2012/Phase 2</u>	<u>2013/Phase 3</u>	<u>2014/Phase 4</u>	<u>2015/Phase 5</u>	<u>All Phases</u>
Projects						
Purchase of Touhy land remnent	800,000 *					800,000
Bluff treatment	300,000	300,000				600,000
Capitol Drive and traffic control	440,000					440,000
Internal access road	100,000					100,000
Options	20,000					20,000
Support Services	75,000	50,000	25,000	25,000		175,000
Infrastructure contingency	100,000					100,000
Overall Contingency	65,000	65,000				130,000
Project #2 direct subsidy	0	3,200,000				3,200,000
Site Acquisition / Clearance & Relocation Costs	0		3,000,000	2,500,000	0	5,500,000
Outside Boundary (1/2 Mi) Project Costs					3,775,000	3,775,000
Subtotal Needed for Projects	1,900,000	3,615,000	3,025,000	2,525,000	3,775,000	14,840,000
Finance Related Expenses						
Financial Advisor	17,894	21,655	20,965	18,000	22,425	
Bond Counsel (Estimate)	3,500	4,500	4,500	4,500	4,500	
Rating Agency Fee	6,500	8,500	8,500	8,500	8,500	
Paying Agent (if Term Bonds)	675	675	675	675	675	
Max. Underwriter's Discount	\$10.00 20,300	\$10.00 36,650	\$10.00 33,650	\$10.00 28,750	\$10.00 41,200	
Capitalized Interest	101,500		290,231	301,875	288,400	
Total Financing Required	2,050,369	3,686,980	3,383,521	2,887,300	4,140,700	
<i>Estimated Interest Earnings</i>	2.50% (21,537)	2.50% (18,714)	2.50% (15,659)	2.50% (12,300)	2.50% (20,700)	
<i>Assumed Spend Down (Months)</i>	12	6	6			
Rounding	1,168	(3,266)	(2,862)	0	0	
NET ISSUE SIZE	2,030,000	3,665,000	3,365,000	2,875,000	4,120,000	16,055,000

* May need to be done Taxable

DEVELOPMENT ASSUMPTIONS



Village of Shorewood



**Tax Increment District No. 3 (Partial Overlay of TID #1)
Development Assumptions**

Construction Year	Decrement	Project # 1	Project # 2	Project # 3	Project # 4	Annual Total
2008						0
2009	(2,678,843)	12,000,000				9,321,157
2010						0
2011						0
2012	(877,683)		10,000,000			9,122,317
2013			10,000,000	5,000,000		15,000,000
2014			10,000,000	10,000,000		20,000,000
2015				5,000,000		5,000,000
2016	(856,631)				10,000,000	9,143,369
2017					6,000,000	6,000,000
2018					15,000,000	15,000,000
2019						0
2020						0
2021						0
2022						0
2023						0
2024						0
2025						0
2026						0
2027						0
2028						0
2029						0
2030						0
2031						0
2032						0
2033						0
2034						0
TOTALS	(4,413,157)	12,000,000	30,000,000	20,000,000	31,000,000	88,586,843

NOTES:

2nd Draft

CASH FLOW

Village of Shorewood

Tax Increment District No. 3 (Partial Overlay of TID #1)

Cash Flow Pro Forma



2nd Draft

Year	Revenues				Expenditures												Balances		Project Cost Principal Outstanding	Year						
	Tax Increments	Investment Earnings	Capitalized Interest	Total Revenues	G.O. Bond \$2,030,000 Dated 3/1/09			Taxable G.O. Bond \$3,665,000 Dated 3/1/12			G.O. Bond \$3,365,000 Dated 3/1/13			Taxable G.O. Bond \$2,875,000 Dated 3/1/14			Taxable G.O. Bond \$4,120,000 Dated 3/1/15				Administrative expenses	Total Expenditures	Annual	Cumulative		
2008		2.50%		0	Prin (3/1)	Est. Rate	Interest	Prin (3/1)	Est. Rate	Interest	Prin (3/1)	Est. Rate	Interest	Prin (3/1)	Est. Rate	Interest	Prin (3/1)	Est. Rate	Interest			0	0	16,055,000	2008	
2009				0																	15,000	0	101,500	101,500	16,055,000	2009
2010	7,647	2,538		10,185		5.00%	50,750														15,375	65,750	(55,565)	45,935	16,055,000	2010
2011	227,093	1,148	101,500	228,241	50,000	5.00%	101,500														16,153	166,875	61,366	107,301	16,005,000	2011
2012	235,460	2,683		238,142	50,000	5.00%	99,000		7.00%	128,275											16,557	293,034	(54,892)	52,409	15,955,000	2012
2013	247,447	1,310	290,231	538,989	50,000	5.00%	96,500	25,000	7.00%	256,550		5.75%	96,744								16,557	540,947	(1,958)	50,451	15,880,000	2013
2014	460,857	1,261	301,875	763,994	75,000	5.00%	94,000	50,000	7.00%	254,800		5.75%	193,488	7.00%	100,625						16,971	784,470	(20,476)	29,975	15,755,000	2014
2015	806,469	749	288,400	1,095,618	75,000	5.00%	90,250	50,000	7.00%	251,300		5.75%	193,488	7.00%	144,200						17,395	1,022,459	73,159	103,134	15,630,000	2015
2016	1,266,457	2,578		1,269,035	75,000	5.00%	86,500	50,000	7.00%	247,800	50,000	5.75%	193,488	7.00%	201,250	7.00%	288,400				17,830	1,259,833	9,202	112,337	15,405,000	2016
2017	1,407,435	2,808		1,410,243	75,000	5.00%	82,750	100,000	7.00%	244,300	75,000	5.75%	190,613	7.00%	197,750	7.00%	288,400				18,276	1,371,643	38,601	150,937	15,055,000	2017
2018	1,640,216	3,773		1,643,990	75,000	5.00%	79,000	125,000	7.00%	237,300	150,000	5.75%	186,300	7.00%	194,250	7.00%	284,900				18,733	1,600,026	43,964	194,901	14,455,000	2018
2019	1,808,980	4,873		1,813,852	75,000	5.00%	75,250	225,000	7.00%	228,550	150,000	5.75%	177,675	7.00%	183,750	7.00%	277,900				19,201	1,711,858	101,994	296,895	13,705,000	2019
2020	2,173,057	7,422		2,180,480	75,000	5.00%	71,500	225,000	7.00%	212,800	175,000	5.75%	169,050	7.00%	173,250	7.00%	267,400				19,681	1,738,201	442,278	739,174	12,880,000	2020
2021	2,223,267	18,479		2,241,747	75,000	5.00%	67,750	250,000	7.00%	197,050	215,000	5.75%	158,988	7.00%	161,000	7.00%	255,150				20,173	1,799,619	442,128	1,181,302	11,940,000	2021
2022	2,274,440	29,533		2,303,973	75,000	5.00%	64,000	275,000	7.00%	179,550	225,000	5.75%	146,625	7.00%	147,000	7.00%	241,150				20,678	1,773,498	530,475	1,711,776	10,965,000	2022
2023	2,326,596	42,794		2,369,390	75,000	5.00%	60,250	275,000	7.00%	160,300	275,000	5.75%	133,688	7.00%	133,000	7.00%	227,150				21,195	1,790,065	579,325	2,291,101	9,910,000	2023
2024	2,379,752	57,278		2,437,030	80,000	5.00%	56,500	290,000	7.00%	141,050	300,000	5.75%	117,875	7.00%	116,900	7.00%	213,150				21,724	1,811,670	625,360	2,916,461	8,765,000	2024
2025	2,433,931	72,912		2,506,843	100,000	5.00%	52,500	300,000	7.00%	120,750	325,000	5.75%	100,625	7.00%	99,400	7.00%	197,400				22,268	1,847,399	659,443	3,575,905	7,510,000	2025
2026	2,489,153	89,398		2,578,550	100,000	5.00%	47,500	300,000	7.00%	99,750	350,000	5.75%	81,938	7.00%	80,500	7.00%	179,200				22,824	1,846,155	732,395	4,308,300	6,175,000	2026
2027	2,545,437	107,708		2,653,145	100,000	5.00%	42,500	350,000	7.00%	78,750	350,000	5.75%	61,813	7.00%	61,250	7.00%	157,500				23,395	1,899,637	753,508	5,061,808	4,700,000	2027
2028	2,602,806	126,545		2,729,352	125,000	5.00%	37,500	375,000	7.00%	54,250	350,000	5.75%	41,688	7.00%	42,000	7.00%	129,500				24,579	1,903,332	826,019	5,887,827	3,125,000	2028
2029	2,661,282	147,196		2,808,477	625,000	5.00%	31,250	400,000	7.00%	28,000	375,000	5.75%	21,563	7.00%	21,000	7.00%	99,750				25,194	2,375,542	432,935	6,320,762	975,000	2029
2030	2,720,886	158,019		2,878,905			0		7.00%	0		5.75%	0	7.00%	0	7.00%	68,250				25,824	567,829	2,311,076	8,631,838	500,000	2030
2031	2,781,641	215,796		2,997,437			0		7.00%	0		5.75%	0	7.00%	0	7.00%	35,000				25,824	560,194	2,437,243	11,069,081	0	2031
2032	2,843,570	276,727		3,120,297			0	7.00%	0		5.75%	0	7.00%	0	7.00%	0					26,469	560,194	3,094,473	14,163,554	0	2032
2033	2,906,697	354,089		3,260,786			0	5.75%	0		5.75%	0	7.00%	0	7.00%	0					26,469	0	3,234,316	17,397,871	0	2033
2034	2,971,045	434,947		3,405,992			0														0	0	3,405,992	20,803,862	0	2034
2035	3,036,639	520,097		3,556,736			0														0	0	3,556,736	24,360,598	0	2035
2036	3,103,505	609,015		3,712,520			0														0	0	3,712,520	28,073,118	0	2036
Total	52,581,766	3,291,675	982,006	56,855,447	2,030,000	1,386,750	3,665,000	3,121,125	3,365,000	2,265,644	2,875,000	2,114,175	4,120,000	3,354,400	485,236	28,782,329	28,073,118									

NOTES:

Projected TID Closure

11 ANNEXED PROPERTY

There are no lands proposed for inclusion within the District that were annexed by the Village on or after January 1, 2004.

12 ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL BUSINESS

Pursuant to Sections 66.1105(5)(b) and 66.1105(6)(am)1 of the Wisconsin State Statutes the Village estimates that 10-15% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

13 PROPOSED CHANGES IN ZONING ORDINANCES

The Village of Shorewood does not currently anticipate that any portion of the District will be rezoned prior to development.

14 PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND VILLAGE OF SHOREWOOD ORDINANCES

It is expected that this Plan will be complementary to the Village's Master Plan. There are no proposed changes to the master plan, map, building codes or other Village of Shorewood ordinances for the implementation of this Plan.

15 RELOCATION

It is anticipated there may be a need to relocate existing uses in conjunction with this Plan.

In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the Village will follow applicable state statutes as required in Wisconsin Statutes chapter 32.

16 ORDERLY DEVELOPMENT AND/OR REDEVELOPMENT OF THE VILLAGE OF SHOREWOOD

The District contributes to the orderly development and/or redevelopment of the Village by providing the opportunity for continued growth in tax base and job opportunities.

The area in question includes some areas that currently have limited accessibility or no accessibility for use or development. It also includes obsolete uses and properties with deteriorated conditions and obsolete platting. The implementation of this plan will provide the tools needed to address these deficiencies and help assure appropriate redevelopment of certain properties within the district.

17 A LIST OF ESTIMATED NON-PROJECT COSTS

Non-Project costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds. Examples would include:

- A public improvement made within the District that also benefits property outside the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total project costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The Village does not expect to incur any non-project costs in the implementation of this Project Plan.

18

**OPINION OF ATTORNEY FOR THE VILLAGE OF SHOREWOOD
ADVISING WHETHER THE PLAN IS COMPLETE AND COMPLIES
WITH WISCONSIN STATUTES, SECTION 66.1105**

June 12, 2008

SAMPLE

Guy Johnson, Village President
Village of Shorewood
3930 N. Murray Avenue
Shorewood, Wisconsin 53211

RE: Village of Shorewood, Wisconsin Tax Incremental District No. 3

Dear Village President:

As Village Attorney for the Village of Shorewood, I have reviewed the Project Plan and various resolutions passed by the Village Board, Community Development Authority and Joint Review Board regarding Tax Incremental District No. 3 located in the Village of Shorewood. In my opinion, the Project Plan is complete and complies with Section 66.1105 of the Wisconsin Statutes.

Sincerely,

Attorney Raymond J. Pollen
Village of Shorewood

EXHIBIT A - CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS

Estimated Share by Taxing Jurisdiction of Projected Tax Increments to be paid by Owners of Taxable Property in each of the Taxing Jurisdictions Overlying the Tax Increment District



Revenue Year	Municipality	County	School District	Tech College	Total
	15.38%	30.77%	46.15%	7.69%	
2010	1,177	2,353	3,530	588	7,647
2011	34,937	69,875	104,812	17,469	227,093
2012	36,225	72,449	108,674	18,112	235,460
2013	38,069	76,138	114,206	19,034	247,447
2014	70,901	141,802	212,703	35,451	460,857
2015	124,072	248,144	372,216	62,036	806,469
2016	194,840	389,679	584,519	97,420	1,266,457
2017	216,528	433,057	649,585	108,264	1,407,435
2018	252,341	504,682	757,023	126,170	1,640,216
2019	278,305	556,609	834,914	139,152	1,808,980
2020	334,317	668,633	1,002,950	167,158	2,173,057
2021	342,041	684,082	1,026,123	171,021	2,223,267
2022	349,914	699,828	1,049,742	174,957	2,274,440
2023	357,938	715,876	1,073,813	178,969	2,326,596
2024	366,116	732,232	1,098,347	183,058	2,379,752
2025	374,451	748,902	1,123,353	187,225	2,433,931
2026	382,947	765,893	1,148,840	191,473	2,489,153
2027	391,606	783,211	1,174,817	195,803	2,545,437
2028	400,432	800,863	1,201,295	200,216	2,602,806
2029	409,428	818,856	1,228,284	204,714	2,661,282
2030	418,598	837,196	1,255,793	209,299	2,720,886
2031	427,945	855,889	1,283,834	213,972	2,781,641
2032	437,472	874,945	1,312,417	218,736	2,843,570
2033	447,184	894,368	1,341,552	223,592	2,906,697
2034	457,084	914,168	1,371,252	228,542	2,971,045
2035	467,175	934,351	1,401,526	233,588	3,036,639
2036	477,462	954,925	1,432,387	238,731	3,103,505
	8,089,502	16,179,005	24,268,507	4,044,751	52,581,766

NOTE: The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.